Financial crunch in Railways

283. SHRI P. PRABHAKAR REDDY: Will the Minister of RAILWAYS be pleased to state:

(a) whether it is a fact that the Railways are facing acute resource crunch;

(b) if so, the details thereof and the reasons therefor; ,

(c) the steps proposed to be taken to mop up additional resources, in order to enable the Railways to tide over the financial difficulty; and

(d) whether the Task Force appointed by the Railway Minister to identify additional resources has since submitted its report; if so, the details thereof and the follow-up action, if any, taken thereon?

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS (SHRI DIGVIJAY SINGH): (a) and (b) The Railways finances are passing through a difficult phase as a result of the combined effect of the increase in staff cost and pension due to the implementation of the recommendations of Fifth Central Pay Commission during 1997-98 and 1998-99 and shortfall in freight loading in 1998-99.

(c) In an effort to increase their internal generation, Railways are taking various measures to contain the expenditure and augment earnings. Apart from formulating an appropriate freight policy to improve earnings, they are also seriously considering non-traditional areas of resource mobilisation which include exploitation of railway land and air space, leasing of 'right of way' for laying of optical fibre cable, advertising rights, leasing of space on trains for parcels, public/ private partnership schemes, etc.

(d) The Task Force has submitted the Report recently and has made recommendations for generating investment from non-traditional resources like commercial utilization of land and Air Space, Own Your Wagon Scheme, BOLT Scheme, commercial publicity, etc. The recommendations are under considerations.